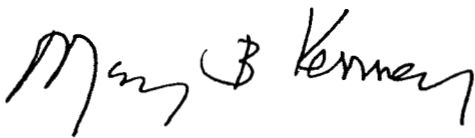



TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 03-38	2. STATE: Minnesota
FOR: HEALTH CARE FINANCING ADMINISTRATION		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE October 1, 2003	
5. TYPE OF PLAN MATERIAL (Check One): <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION 42 CFR §447.201(b)		7. FEDERAL BUDGET IMPACT: a. FFY '04 \$783.634 b. FFY '05 \$750.428	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Att. 4.19-B, pp. 45-45d		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): same	
10. SUBJECT OF AMENDMENT: Rates: Rehabilitative Services (School-based Services)			
11. GOVERNOR'S REVIEW (Check One): <input checked="" type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> OTHER, AS SPECIFIED: <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO: Stephanie Schwartz Federal Relations Unit Minnesota Department of Human Services 444 Lafayette Road No. St. Paul, MN 55155-3852	
13. TYPED NAME: Mary B. Kennedy			
14. TITLE: Medicaid Director			
15. DATE SUBMITTED: December 19, 2003			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: 12-29-03		18. DATE APPROVED: 3/25/04	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: October 1, 2003		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: Cheryl A. Harris		22. TITLE: Associate Regional Administrator Division of Medicaid and Children's Health	
23. REMARKS:			

13.d. Rehabilitative services.

Rehabilitative services are paid using the same methodology in item 5.a., Physicians' services, except as listed below.

- **Physical therapy assistants** are paid using the same methodology as item 11.a., Physical therapy.
- **Occupational therapy assistants** are paid using the same methodology as item 11.b., Occupational therapy.
- Effective for **mental health services** provided on or after July 1, 2001, payment is the lower of the submitted charge or 75.6% of the 50th percentile of 1999 charges.

This rate includes mental health services provided by community mental health centers. For partial hospitalization services provided by community mental health centers, the hourly rate is based on outpatient hospital charges for partial hospitalization.

- **Basic living and social skills** provided as part of mental health community support services are paid:
 - for mental health professionals or mental health practitioners, the lower of the submitted charge or \$18.00 per 30 minute unit;
 - for mental health rehabilitation workers, the lower of the submitted charge or \$13.50 per 30 minute unit; or
 - in a group setting, regardless of the provider, the lower of the submitted charge or \$11.00 per 30 minute unit. For the purposes of mental health community support services, "group" is defined as two to 10 recipients.
- **Consultation with significant people** provided as part of mental health community support services are paid:
 - for mental health professionals or mental health practitioners, the lower of the submitted charge or \$9.00 per 15 minute unit; or
 - for mental health rehabilitation workers, the lower of the submitted charge or \$6.75 per 15 minute unit.

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13.d. Rehabilitative services. (continued)

- **Medication education** provided as part of mental health community support services are paid:
 - the lower of the submitted charge or \$10.00 per 15 minute unit; or
 - in a group setting, the lower of the submitted charge or \$6.50 per 15 minute unit.
- **Crisis assessment** provided as part of mental health crisis response services are paid:
 - for doctoral prepared mental health professionals, the lower of the submitted charge or \$32.50 per 15 minute unit;
 - for master's prepared mental health professionals, the lower of the submitted charge or \$26.00 per 15 minute unit;
 - for mental health practitioners supervised by doctoral prepared mental health professionals, the lower of the submitted charge or \$16.25 per 15 minute unit; or
 - for mental health practitioners supervised by master's prepared mental health professionals, the lower of the submitted charge or \$13.00 per 15 minute unit.
- **Crisis intervention** provided as part of mental health crisis response services are paid:
 - for doctoral prepared mental health professionals, the lower of the submitted charge or \$47.50 per 30 minute unit;
 - for master's prepared mental health professionals, the lower of the submitted charge or \$38.00 per 30 minute unit;
 - for mental health practitioners supervised by doctoral prepared mental health professionals, the lower of the submitted charge or \$23.75 per 30 minute unit; or

13.d. Rehabilitative services. (continued)

- for mental health practitioners supervised by master's prepared mental health professionals, the lower of the submitted charge or \$19.00 per 30 minute unit.
- **Crisis stabilization** provided as part of mental health crisis response services are paid:
 - for mental health professionals or mental health practitioners, the lower of the submitted charge or \$19.50 per 30 minute unit;
 - for mental health rehabilitation workers, the lower of the submitted charge or \$14.62 per 30 minute unit;
 - in a group setting (which does not include short-term services provided in a supervised, licensed residential setting that is not an IMD), regardless of the provider, the lower of the submitted charge or \$11.00 per 30 minute unit. For the purposes of mental health crisis response services, "group" is defined as two to 10 recipients; or
 - in a supervised, licensed residential setting that is not an IMD that provides short-term services, combining individual and group modalities and the individual provider's qualifications, and including consultation with significant people, the lower of the submitted charge or \$262.00 per day.
- When not provided in a supervised, licensed residential setting that is not an IMD that provides short-term services, **consultation with significant people** provided as part of mental health crisis response services are paid:
 - for mental health professionals or mental health practitioners, the lower of the submitted charge or \$9.00 per 15 minute unit; or
 - for mental health rehabilitation workers, the lower of the submitted charge or \$6.75 per 15 minute unit.

13.d. Rehabilitative services. (continued)

- Effective January 1, 2002, provider travel time is covered if a recipient's individual treatment plan requires the provision of mental health services outside of the provider's normal place of business. This does not include travel time included in other billable services.
- Payment for **outpatient chemical abuse programs services** is pursuant to county-negotiated rates.
- Payment for **EPSDT rehabilitative services identified in IFSPs/IEPs** under the Individuals with Disabilities Education Act (IDEA) and provided by school districts to children with IFSPs/IEPs during the school day is pursuant to a cost-based, per child encounter rate. Each school district has separate per encounter rates for the EPSDT rehabilitative services listed in Attachments 3.1-A/B, item 13.d and for personal care assistant services in Attachments 3.1-A/B, item 4.b. Payment is made when there is an encounter by a Medical Assistance child for the service category. No more than one payment in each service category can be made per child, per day, by a school district.

~~INTERIM RATE METHODOLOGY FROM JULY 1, 2000 THROUGH JUNE 30, 2002~~

~~From July 1, 2000, through June 30, 2002, interim rates will be developed for each school district, for each provider type within that school district. The rates will be based upon a two-month survey of school-based providers of IFSP/IEP services and audited cost data (salary plus fringe benefits).~~

~~A child count will be collected from each IFSP/IEP provider. The child count includes the number of children served by each provider type participating in that school district.~~

~~Interim Rate Formula: Cost per school district, per provider type, divided by the child count for that provider type.~~

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13.d. Rehabilitative services. (continued)

INTERIM RATE METHODOLOGY EFFECTIVE JULY 1, 2002 OCTOBER 1, 2003

School districts are paid cost-based, interim rates using cost-based, per child encounter rates using data collected during for the previous year prior two State fiscal years.

Interim Rate Formula: The interim rate formula is the same as the final rate formula effective July 1, 2000 October 1, 2003. At the start of the State fiscal year on July 1, the rate will be reviewed and updated annually, using the most current available data.

FINAL RATE METHODOLOGY EFFECTIVE JULY 1, 2000 OCTOBER 1, 2003

~~At the end of the interim rate year, the Department will settle up with school districts using actual data reported for the payment year.~~

~~*Final Rate Formula:* The final rate is derived by dividing salaries plus fringe benefits by total employment hours. This result is multiplied by medical assistance direct service hours, then divided by medical assistance encounters.~~

The Department will settle-up with school districts using actual data reported by school districts for the State fiscal year.

Final Rate Formula:

1. salaries and fringe benefits ÷ total employment hours
2. item 1 x direct medical assistance direct service hours
3. item 2 ÷ medical assistance encounters
4. item 3 x the cognizant agency's unrestricted indirect cost percentage for the school district
5. final rate = item 3 + item 4